

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5 77 WEST JACKSON BOULEVARD CHICAGO, IL 60604-3590



JUN 26 2001

REPLY TO THE ATTENTION OF

URGENT LEGAL MATTER -- PROMPT REPLY NECESSARY CERTIFIED MAIL; RETURN RECEIPT REQUESTED

ORIGINAL ADDRESSO TO PRP T

Re: Chemical Recovery Systems, Inc.,142 Locust Street, Elyria, Ohio 44035

Dear Sir or Madam:

This letter (in most cases¹) follows a general notice letter that was issued on March 1, 2001, in connection with the above-referenced site. As the listed contact person for the potentially responsible party (PRP) identified above, this letter has been sent to your attention. This letter serves three basic functions. First, it contains a formal demand for reimbursement of costs that have been incurred, including interest thereon, and that are expected to be incurred, which are subject to interest, in response to the health and environmental concerns at the site. Second, this letter notifies you that a 60 day period of formal negotiations with the U.S. Environmental Protection Agency (U.S. EPA) automatically begins with this letter. Third, this letter provides general and site-specific information to assist you in these negotiations.

NOTICE OF POTENTIAL LIABILITY

As indicated in the general notice letter previously sent regarding this site, U.S. EPA has information indicating that you may be a PRP as defined at Section 107(a) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(a), as amended (CERCLA), with respect to this site.

¹ In a few cases, U.S. EPA has only now determined that a party is a PRP at this Site. In these cases, U.S. EPA is sending both General and Special Notices together with copies of documentation linking the PRP to this Site.

SPECIAL NOTICE AND NEGOTIATION MORATORIUM

U.S. EPA has determined that use of the Section 122(e) special notice procedures specified in CERCLA will facilitate a settlement between U.S. EPA and PRPs for this site. Therefore, under CERCLA Section 122, this letter triggers a 60-day moratorium on certain U.S. EPA response activities at the site. During this 60-day period, the PRPs, including you, are invited to participate in formal negotiations with U.S. EPA. You are also encouraged to voluntarily negotiate a settlement providing for the PRPs, including yourself, to conduct or finance the response activities required at the site. The 60-day negotiation period ends on August 25, 2001. The 60-day negotiation moratorium will be extended for an additional 30 days if PRPs provide U.S. EPA with a good faith offer to conduct or finance the remedial investigation/feasibility study (RI/FS). Should a 90-day negotiation moratorium take place, negotiations will conclude on September 24, 2001. If settlement is reached between U.S. EPA and the PRPs within the 90-day negotiation moratorium, the settlement will be embodied in a consent order for RI/FS.

FUTURE RESPONSE ACTIONS

U.S. EPA plans to conduct the following CERCLA activities at the site: Remedial Investigation/Feasibility Study (RI/FS) on or about September 24, 2001.

WORK PLAN AND DRAFT CONSENT ORDER/DECREE

A copy of U.S. EPA's statement of work and draft administrative order are attached. This is provided to assist you and other PRPs in developing a good faith offer for conducting the RI/FS.

GOOD FAITH OFFER

As indicated, the 60-day negotiation moratorium triggered by this letter is extended for 30 days if the PRPs submit a good faith offer to U.S. EPA. A good faith offer to conduct or finance the RI/FS is a written proposal that demonstrates the PRPs' qualifications and willingness to conduct or finance the RI/FS and includes the following elements:

1. A statement of willingness by the PRPs to conduct or finance the RI/FS which is consistent with U.S. EPA's statement of work and draft administrative order and provides a sufficient basis for further negotiations.

- 2. A paragraph-by-paragraph response to U.S. EPA's statement of work and draft administrative order including a response to any other attached documents.
- 3. A detailed description of the work plan identifying how the PRPs plan to proceed with the work.
- 4. A demonstration of the PRPs' technical capability to carry out the RI/FS including the identification of the firm(s) that may actually conduct the work or a description of the process they will use to select the firm(s).
- 5. A demonstration of the PRPs' capability to finance the RI/FS.
- 6. A statement of willingness by the PRPs to reimburse U.S. EPA for costs incurred in overseeing the PRPs' conduct of the RI/FS.
- 7. The name, address, and phone number of the party or steering committee who will represent the PRPs in negotiations.

INFORMATION RELEASE

The parties are hereby notified that additional information has been obtained since the previous notice. U.S. EPA is providing the following information as an attachment to this letter:

- 1. An updated list of names and addresses of PRPs to whom this notification is being sent. Inclusion on, or exclusion from, the list does not constitute a final determination by U.S. EPA concerning the liability of any party for the release or threat of release of hazardous substances at the site.
- 2. A fact sheet that describes the site.

DEMAND FOR PAYMENT

With this letter, U.S. EPA demands that you reimburse U.S. EPA for its costs incurred to date, and encourages you to voluntarily negotiate a consent order under which you and other PRPs agree to perform the RI/FS.

In accordance with CERCLA, U.S. EPA already has undertaken certain actions and incurred certain costs in response to

conditions at the site. These response actions include several investigations including a Eield Investigation for the hydrogeologic and extent of contamination study completed on April 26, 1982, a Preliminary Site Assessment/Site Investigation, and a Site Team Prioritization Report. The cost to date of the response actions performed at the site through U.S. EPA funding is approximately \$408,013.80. In accordance with Section 107(a) of CERCLA, demand is hereby made for payment of the above amount plus any and all interest recoverable under Section 107 or under any other provisions of law.

As indicated above U.S. EPA anticipates expending additional funds for the RI/FS. Whether U.S. EPA funds the entire RI/FS, or simply incurs costs by overseeing the parties conducting these response activities, you are potentially liable for these expenditures plus interest.

ABILITY TO PAY-FUTURE FINANCIAL REVIEW

If your company wishes to settle, but would face a severe financial hardship by remitting the full payment amount, you may request that the U.S. EPA review your financial ability to pay. Under U.S. EPA policy, it is possible in appropriate circumstances for the payment to be made in installments. This may be considered as part of U.S. EPA's financial review. To process a claim of financial hardship, the U.S. EPA will require you to substantiate that claim by submitting detailed financial documentation. A complete description of the U.S. EPA's financial review process is available upon request.

PRP STEERING COMMITTEE

U.S. EPA recommends that all PRPs meet to select a steering committee responsible for representing the group's interests. Establishing a manageable group is critical for successful negotiations with U.S. EPA. U.S. EPA has scheduled an initial PRP meeting on June 27, 2001, at the John Marshall Law School, 315 South Plymouth Court, Chicago, Illinois 60604, from 9:00 A.M. through 4:00 P.M. U.S. EPA encourages each PRP to select one person from its company or organization who will represent its interests.

ADMINISTRATIVE RECORD

Pursuant to CERCLA Section 113(k), U.S. EPA must establish an administrative record that contains documents that form the basis of U.S. EPA's decision on the selection of a response action for a site. The administrative record files, which contain the

documents related to the response action selected for this site, will be available to the public for inspection and comment. These files are located in the Superfund Records Center located at the U.S. EPA regional office, 77 W. Jackson Blvd., Chicago, Illinois. Copies of documents in the administrative record file are also available for public inspection pursuant to 40 CFR 300.805 at the local Site Repository located at:

Elyria Public Library 320 Washington Avenue Elyria, Ohio 44035 (440) 323-5747

PRP RESPONSE AND U.S. EPA CONTACT PERSON

You are encouraged to contact U.S. EPA by July 11, 2001, to indicate your willingness to participate in future negotiations at this site. Otherwise, you have 60 calendar days from this notice to provide U.S. EPA with a good faith offer, in writing, demonstrating you willingness to perform the RI/FS. You may respond individually or through a steering committee if such a committee has been formed. If U.S. EPA does not receive a timely response, U.S. EPA will assume that you do not wish to negotiate a resolution of your liabilities in connection with the response, and that you have declined any involvement in performing the response activities. You may be held liable by U.S. EPA under Section 107 of CERCLA for the cost of the response activities U.S. EPA performs at the site and for any damages to natural resources.

Your response to this notice letter should be sent to:

Deena Sheppard-Johnson Enforcement Specialist U.S. Environmental Protection Agency Remedial Enforcement Support Section 77 West Jackson Boulevard (SR-6J) Chicago, Illinois 60604-3590

The factual and legal discussions contained in this letter are intended solely for notification and information purposes. They are not intended to be and cannot be relied upon as final U.S. EPA positions on any matter set forth herein. If you have questions of a technical nature, contact Gwendolyn Massenburg, Remedial Project Manager, at (312) 886-0983. For legal questions contact Thomas Nash, Associate Regional Council,

at (312) 886-0552. Address all other questions to Deena Sheppard-Johnson, Enforcement Specialist, at (312) 886-7048.

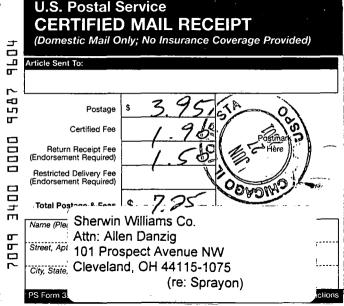
Sincerely,

Lucuel J. Schnitt

Wendy Carney, Chief Remedial Response Branch #1

Attachments:

- 1. Draft Consent Order
- 2. Statement of Work
- 3. Site Fact Sheet
- 4. SBREFA Fact Sheet
- 5. Updated PRP List



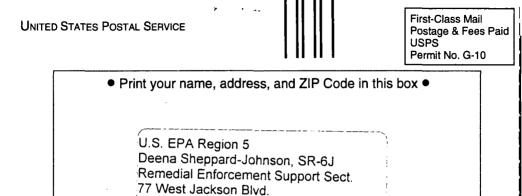
Certified Mail Provides:

- A mailing receipt
- A unique identifier for your mailpiece
- A signature upon delivery A record of delivery kept by the Postal Service for two years

- Important Reminders: Certified Mail may ONLY be combined with First-Class Mail or Priority Mail.
- Certified Mail is not available for any class of international mail. NO INSURANCE COVERAGE IS PROVIDED with Certified Mail. For
- valuables, please consider Insured or Registered Mail. ■ For an additional fee, a Return Receipt may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return
- Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS postmark on your Certified Mail receipt is reci-ireul. For an additional fee, delivery may be restricted to the addressee or
- addressee's authorized agent. Advise the clerk or mark the mailbiece with the endorsement "Restricted Delivery". ■ If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.

reverse side?			I also wish to receive the following services (for an extra fee): 1. Addressee's Address	ice.
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Chicago IL 60604 (re: CRS)